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ASEAN AND GEOPOLITICAL RIVALRIES

CAUGHT BETWEEN THE U.S. AND CHINA

Kishore Mahbubani and Amrita V. Nair

RELATIONS between the United States and China were always destined to end up in difficult territory. Whenever the world's number two power (today China) is about to overtake the world's number one power (today the United States), relations inevitably get difficult.

However, the inherent difficulties are likely to be aggravated by the election of Donald Trump. He has shown virtually no diplomatic restraint in his criticism of China. Hence, it does not take a political genius to conclude that U.S.-China relations are heading towards a turbulent phase.

The Sri Lankans have an ancient proverb: when elephants fight, the grass suffers. They also add, wittily, that when elephants make love, the grass also suffers. There will be many accidental victims of U.S.-China turbulence. One of the most

vulnerable candidates will be the Association of Southeast Asian Nations (ASEAN).

Paradoxically, one of the key reasons why ASEAN became very strong in the 1980s and 1990s was because of an informal strategic agreement between Beijing and Washington to work together to strengthen ASEAN. Now ASEAN is in danger of facing the opposite: both Beijing and Washington may be tempted to use ASEAN as an instrument to embarrass the other.

AMERICA AND THE DELICATE VASE

Indeed, this game of trying to use ASEAN has already begun. The United States is clearly tempted to use ASEAN as an instrument to embarrass China over its assertive actions in the South China Sea. Several American leaders have already spoken out on the issue, including President Barack Obama, who said in 2014 that

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Flags of ASEAN member states

regional aggression that goes unchecked—whether it's southern Ukraine, or the South China Sea, or anywhere else in the world—will ultimately impact our allies, and could draw in our military.

The Trump Administration has been equally critical. Secretary of State Rex Tillerson provoked China by saying that “building islands and then putting military assets on those islands is akin to Russia's taking of Crimea. It's taking territory that others lay claim to.”

American officials may be tempted to enlist some or all ASEAN member

states to join Washington's campaign to embarrass China. Such a step would be a huge strategic mistake. It will do nothing to deter China, but could seriously damage ASEAN. This is why it is important—in the age of growing Sino-American geopolitical competition—for both sides to treat ASEAN as a delicate Ming vase that could easily be destroyed. As both American and Chinese interests might suffer if ASEAN is damaged or destroyed, delicacy in dealing with ASEAN remains critical for both sides.

America should also adopt hard-headed Kissingerian methods of analysis to understand how it should

fare with China in a geopolitical context to gain influence within ASEAN. The odds are clearly stacked against America. While the United States is, in comprehensive terms, a much stronger power than China, it is also perceived as a declining power, while China is perceived to be a rising power.

Equally importantly, geography matters. All of China's neighbors know that America may be around in Asia for another hundred years. However, they also know that China will be around for another thousand years. Hence, it would be unwise for any Asian country to seriously alienate China. The political and economic costs of doing so could be very high. American officials should not resurrect the famous refrain pronounced by U.S. President George W. Bush after 9/11: "either you are with us or against us". The clear preference of virtually all ASEAN countries is to maintain good relations with both America and China. They do not want to be forced to choose. The big question for American diplomats in dealing with ASEAN is therefore a simple one: can they exercise real delicacy in trying to retain and grow influence with the ASEAN countries?

American policymakers should also examine why China seems to have outpaced the United States in

trade with ASEAN. China is ASEAN's largest external trade partner, with total trade volume of \$345 billion in 2015. The United States, in comparison, is the fourth largest, with total trade volume of \$212 billion. China was also the first to recognize the economic opportunities in ASEAN when it became the first country to propose a free trade agreement with the region in November 2000. China was extraordinarily generous in the terms of this FTA, offering an Early Harvest Agreement through which hundreds of agricultural products and manufactured products exported from ASEAN to China benefited from a gradual elimination of tariffs.

The United States, on the other hand, has shown no interest in pursuing such an FTA with the ASEAN countries. The Trans-Pacific Partnership, which would have brought four of the ten ASEAN countries and the United States into a free trade zone, is now being prepared to go forward without Trump's America, even as China strengthens its ties in the region with the Regional Comprehensive Economic Partnership and the One Belt One Road initiative. The United States could start by taking a leaf out of the book of its neighbor, Canada. In August 2016, Canada launched the Canada-ASEAN trade policy dialogue in preparation for a Canada-ASEAN FTA feasibility study.

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CHINESE SOFT POWER AND ASEAN

China should be equally sensitive in its relations with ASEAN. We have all heard that Beijing has called for a new model of great power relations. In the same vein, it should also create a new model of great power-middle/small power relations. If China succeeds in developing a "new model" of relations between China and ASEAN, this would help to significantly blunt the efforts of the Anglo-Saxon media to portray China as an aggressive actor on the global scene. This is another reason why Beijing should undertake a comprehensive review of the China-ASEAN relationship: to see how it can help serve China's broader foreign policy interests.

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Furthermore, ASEAN provides a perfect opportunity for China to enhance its soft power image in the world. In a 2012 essay, then President Hu Jintao lamented that "the international culture of the West is strong, while we are weak."

Due to centuries-old historical linkages between China and Southeast Asia, as well as geographic proximity, China enjoys more influence in the ASEAN region than elsewhere. According to the

2016 Asian Barometer Survey, "despite sovereignty disputes in the South China Sea, a majority of citizens in most South-east Asian countries (with the exception of Myanmar) view the influence of China favorably."

In five amongst the eight ASEAN countries surveyed, more than 40 percent of respondents believe China to be the country that has the most influence in Asia now. The Travel China Guide

reveals an even more telling fact: ASEAN countries make up five of the top 15 sources of inbound tourism to China. Although lagging behind Korean and Japanese productions, Chinese media is also popular in Southeast Asia. Chinese TV soap operas enjoyed "sensational ratings" in Southeast Asia during the late 1980s and 1990s. Today, Southeast Asian countries remain the major importers of Chinese TV dramas.

China should therefore continue to invest in fostering its relations with ASEAN outside the economic and political spheres, through cultural and people-to-people exchanges. One of the most effective ways to do this would be to create more exchange and scholarship programs between universities in China and Southeast Asia.

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China can also draw on its rich cultural and history to woo Southeast Asians by easing visa norms for tourists from ASEAN countries who seek to visit heritage sites. The city of Guilin has already recognized the potential of ASEAN as a source of tourism. Guilin offers six-day, visa-free entry to tourist groups from ASEAN countries. Other cities and provinces in China should follow suit.

China should not underestimate the many collateral benefits that a good relationship with ASEAN can bring. As the second most successful regional organization in the world after the European Union, ASEAN's global standing and prestige could rise if it continues to hold together and increase its cooperation. China could therefore be associated with a global success story if it were to develop a good ASEAN-China relationship. Hopefully, as a result of a significant and comprehensive policy review, China will come to the conclusion that it is in its interest to strengthen, not weaken, ASEAN.

DIVERSE ASEAN APPROACHES TO CHINA

Yet, as in any bilateral relationship, it takes two hands to clap. Just as China should deeply reflect on the ASEAN-China relationship, ASEAN should do the same. This will be harder for ASEAN to do, as there are ten national actors within ASEAN. Their national interests vis-à-vis China are also

different. Hence, it would not be surprising for different ASEAN countries to arrive at different conclusions on the future of the ASEAN-China relationship. Indeed, this has already happened.

Each ASEAN member state will factor in its own bilateral interests vis-à-vis Beijing as it works out what ASEAN's policy towards China should be. Each country's assessment of its bilateral interests will, of course, be conditioned by geography and history. Such assessments will also be conditioned by various arbitrary factors, such as the nature and personality of the leader in power in each ASEAN country. Policies change when leaders change.

The two ASEAN countries that will always be the most wary of China are Vietnam and Myanmar. Why? The simple answer to this question is history. Both have fought wars against invading Chinese armies. The Qianlong Emperor invaded Myanmar four times between 1765 and 1769. Myanmar's defense in this war led to the creation of its present-day border with China. The Burmese border also became the scene of skirmishes resulting from the Chinese Civil War fought between Chinese nationalists and communists.

The war between China and Vietnam in 1979 left more than 50,000 Vietnamese dead, although it lasted only three weeks and six days. Vietnam, of

course, has the greatest suspicion of Chinese interests and intentions, having been occupied by China for more than a thousand years, from 111 BC to 938 AD. Nayan Chanda, a well-known journalist, reported that at the height of the Vietnam War, when Hanoi was being bombed by American war planes, visitors to the Vietnamese national museum were given historical accounts of Chinese invasions. A Vietnamese journalist, Dien Luong, also wrote in an article for *The Diplomat*:

In 1970, during a short hiatus in the U.S. bombing of North Vietnam, Noam Chomsky, the leading American political activist and one of the most vociferous critics of America's foreign policies, was invited to visit the capital Hanoi and lecture at the Polytechnique University there. Chomsky recalled that the first morning he arrived, he was taken to the war museum to listen to long lectures with dioramas about Vietnamese wars with China many centuries ago. 'The lesson was clear,' he said in an interview, 'you happen to be destroying us now, but you'll leave. China will always be here.'

This hard-nosed perception of Chinese influence amongst the Vietnamese is apparent in the results of the Asian Barometer Survey as well. This observation is confirmed by Richard Bush and Maeve Whelan-Wuest of the Brookings Institution, who note that 60 percent of the respondents from Vietnam believe that

China has the most influence in Asia today—the highest amongst the ASEAN countries surveyed.

The fate of Vietnam and China will always be bound together because of geography. A senior Singapore diplomat, Bilahari Kausikan, told the audience of a forum in the lead-up to the 2016 G7 Summit in Japan:

Some years ago, I asked a senior Vietnamese official what leadership changes meant for Vietnam's relations with China. Every Vietnamese leader, he replied, must be able to stand up to China and get along with China and if anyone thinks this cannot be done at the same time, he does not deserve to be a leader.

Curiously, while the national interests of China and Vietnam are the most divergent (especially over the South China Sea disputes), the two countries have one contemporary interest in common: to preserve the legitimacy of the ruling communist parties in Beijing and Hanoi. This helps to soften the differences between Vietnam and China.

Thailand does not share a border with China, nor has it ever fought Chinese forces. Thai courts traditionally sent tributes to Chinese emperors, and modern Thailand has assimilated residents of Chinese descent very comfortably. Thailand remains an American ally, but it has received a great deal of Chinese aid and is emerging as a coun-

try sympathetic to China's interests. Ian Storey describes this shift well in his 2015 piece on Thailand's relations with the two great powers:

[...] for the past four decades Thailand has always been able to rely on China's support during crisis periods: e.g. during the 1973 energy crisis when China sold oil to Thailand at "friendship prices"; China was Thailand's primary strategic ally during the decade-long Cambodian Crisis; Beijing provided financial support when the Thai economy buckled during the 1997–98 Asian Financial Crisis; and after the 2006 coup, China recognized the new government immediately and bilateral relations continued as normal. In Thailand, these events, among others, have created a very positive image of China as a country that always has the Kingdom's national interests at heart, irrespective of who holds power in Bangkok.

In recent years, American criticism—and indeed ostracism—of military-dominated governments has pushed Thailand closer to China. Just as Western isolation of Myanmar in the 1980s and 1990s drove Myanmar into the hands of the Chinese, Western criticism of Thailand's military governments could mean that country's geopolitical gift to China. As Storey put it:

Thailand's domestic political situation has largely determined the country's tilt towards Beijing. The junta has ex-

pressed appreciation for China's understanding that after nearly a decade of political turmoil, the Kingdom requires a period of stability that only the army can provide. The Thai government contrasts this with Washington's repeated calls for the immediate restoration of democracy, and has rejected as unfair and hypocritical U.S. allegations that Thailand's human rights and people trafficking situation has deteriorated since the coup [...] Chinese and U.S. responses to the coup have strengthened the Thai narrative that since the late 1970s, the Kingdom has always been able to rely on China's support in times of crisis, while America behaves as a fair weather friend.

China has also been exceptionally generous to Cambodia and Laos, and they have emerged as the two most pro-China governments within the ASEAN constellation.

In maritime Southeast Asia, there is greater political and physical distance from China and, from time to time, greater wariness of China. However, the policies of individual countries have been inconsistent. The Philippines under President Benigno Aquino III (2010–2016) was very critical of Beijing and took China to the Permanent Court of Arbitration in The Hague. However, barely two decades earlier, in 1991, the Philippines had expelled American carriers from Subic Bay and Clark Airbase.

The Philippines has tended to be inconsistent and erratic in its foreign policy behavior, partially for cultural reasons. With the election of Rodrigo Duterte as president in May 2016, China-Philippines tensions have subsided, as President Duterte announced that he would try to work together with China to resolve issues in the South China Sea bilaterally. Duterte followed up on his promise by visiting China in October 2016 with a delegation that included 400 businessmen. Twenty-four billion dollars-worth of trade deals were signed. Soon after he returned home, China once again allowed Filipino fishermen to fish near Scarborough Shoal.

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In May 2017, China did not overreact to Duterte's claim that China had threatened war if the Philippines drilled for oil in the South China Sea. Chinese Foreign Ministry spokesperson Hua Chunying said that the focus was on "pragmatic cooperation" and "healthy and stable development of China-Philippine relations."

Malaysia, like Thailand, has a long history of good relations with China. In 1974 Malaysia became the first ASEAN country to establish diplomatic

relations with China; and successive Malaysian prime ministers, including Mahathir Mohamad and the current incumbent Najib Razak, have maintained close relations with Beijing. Najib is always treated royally in Beijing, since it was his father, Prime Minister Tun Razak, who established diplomatic relations with China.

In November 2016, Najib visited Beijing and received many sweet deals. China agreed to build a new port in Melaka for \$1.9 billion, and a new railway line between Kuala Lumpur and Kelantan for \$13.1 billion. However, despite the bonhomie among the leaders, structural factors complicate China-Ma-

laysia relations. The two countries have competing claims in the South China Sea, and Malaysia's ruling elite views the country's ethnic Chinese community with suspicion. These and other issues have the potential to complicate their bilateral relations.

There are several factors complicating Indonesia's relations with China. With its aspirations to become a middle power, Indonesia is not naturally deferential to China. Indonesia was one of the last ASEAN countries to es-

establish diplomatic relations with China, because of President Suharto's belief that the Chinese Communist Party had supported the PKI's attempted coup in 1965. Suharto only allowed diplomatic relations to be established in 1990. Suharto is now gone, but wariness of China remains.

The Nine-Dash Line that the Chinese drew in the South China Sea intrudes on Indonesia's own Exclusive Economic Zone. China has given various private assurances to Indonesian leaders that it does not claim those Exclusive Economic Zone waters but will not say this publicly. There have also been incidents between Indonesian and Chinese government vessels in the South China Sea.

ASEAN'S LONG-TERM INTERESTS

This brief survey of bilateral relations between China and some ASEAN states demonstrates just how complicated each bilateral relationship is. However, it would be a mistake for any of the ASEAN countries to allow bilateral dynamics to determine the future of the ASEAN-China relationship. Instead, that should be based on an enlightened calculation of ASEAN's long-term interests as a group.

Any such calculation of ASEAN's long-term interests will show that either of the two extreme options—being supplicant to China or being confronta-

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tional against China—is potentially disastrous for the ten ASEAN countries. The ASEAN group needs to agree, by traditional ASEAN consensus, to walk a middle path between being supplicant and hostile to China. This group should make it clear to China that an independent ASEAN would be best for China's long-term interests, as it would provide an independent and neutral presence that could help lubricate and soften China's relations with other major powers—especially Asian powers, such as India and Japan.

ASEAN has demonstrated in its first 50 years, and especially in the last 30, that it can benefit China's long-term interests by helping to bridge the gap between China and other major powers. To understand the value of ASEAN, China should understand the depth of suspicion it faces in Northeast Asia and compare that to the relative lack of suspicion in Southeast Asia. The difference in political chemistry between Northeast Asia and Southeast Asia can be credited to ASEAN. If China wants to have a positive dynamic around its

borders, it should realize that a stronger ASEAN, rather than a weaker one, offers the most satisfactory way forward.

ASEAN leaders, in turn, should recognize that ASEAN's neutrality is one of its greatest strengths. The United States, China, Japan, and India all have a common interest in ASEAN's survival and success, despite some divergences in their interests vis-à-vis the ASEAN space. ASEAN has become indispensable in the Asia-Pacific region, with no other organization being able to replace it. Only ASEAN is trusted by all the great powers to be a neutral and effective platform through which they can engage with one another.

EXTRAORDINARY SENSITIVITY

After several decades, the foreign ministers of the United States, China, Japan, India, and even Russia and the EU have come to see the value of attending the annual ASEAN meetings. Similarly, with ASEAN+3 and ASEAN+6 meetings raised to summit level, the presidents and prime ministers of these countries also find value in attending ASEAN meetings. As Singaporean Ambassador Tommy Koh said in a 2015 interview,

the EU is driven by its two biggest economies, but here, the U.S., China and India are not able to take the role

of driving the region because they have no common agenda. ASEAN is able to drive precisely because the three great powers cannot agree. And we can continue to do so as long as the major powers find us neutral and independent.

In short, both America and China will have to display extraordinary sensitivity in dealing with ASEAN. It is an inherently weak regional organization, but, paradoxically, its weakness has been a source of strength, for it has enabled all the great powers to trust it with providing a neutral geopolitical platform. If ASEAN is destroyed, no other country or institution can take its place. The larger East Asian region will be deprived of a valuable diplomatic instrument.

Equally importantly, the ten ASEAN countries will have to develop new instincts to deal with the likely intensified competition between America and China.

ASEAN's diplomatic capacities will be tested to the limit. ASEAN's founding fathers did a brilliant job of steering ASEAN safely through the geopolitical storm of the Cold War. Its current leaders will have to prove that they are as skillful as their predecessors. Only time will tell whether they can pass the test. ●